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## **Welsh Housing Quality Standard 2023**

## **Executive Summary**

The Consumer Council for Water (CCW) is the statutory, independent voice for water consumers in England and Wales. We campaign on behalf of both household and non-household water consumers.

We agree with the principle of the Welsh Housing Quality Standard (WHQS) to improve the quality of social homes in Wales, by setting standards that all social landlords (in Wales) are obliged to meet by law. We also support the aim that this is a 'tenant focused standard' that aims to achieve positive outcomes.

We are very pleased to see water efficiency included as part of the new measures to improve the quality of social homes in Wales-this fills a very important gap in previous housing standards. Retrofits that include water efficiency can deliver numerous economic, social and environmental benefits helping to achieve 'sustainability in the round', and to reduce the carbon footprint to help deal with the climate emergency. We know, from our research and from our independent Affordability Review we conducted for governments in Wales and England, that water efficiency measures can have a role to play in addressing the cost of living crisis by helping customers save money on their bills.

We would like to reiterate our ask to Ministers<sup>1</sup> to support a joined up approach to the challenges of climate change, addressing water efficiency and water poverty. This would result in a triple benefit of assisting those who struggle with their bills, building resilience through making existing water resources go further and reducing carbon emissions (from water production and from the heating of water in the home). One of the ways that Wales can achieve is by extending the optimised retrofit scheme targeting social housing in Wales to include water. This approach could ensure maximum savings in terms of carbon reductions, as well as placing emphasis on linking water efficiency and consistent affordability support as outlined CCW's independent Affordability Review...

The Wales Water Efficiency Roundtable in Wales<sup>2</sup>, could work with social landlords and the Welsh Government retrofit programme to trial new technologies, fittings and approaches that achieve this. We need the government in Wales to lead the way in integrating efficiency and consistent affordability support across utilities and we are here to help achieve this.

We focus our response on questions 9 and 20, and the links between installing water efficiency measures and helping to alleviate water poverty.







#### Measures to improve water efficiency

In principle, we agree with the measures proposed in the consultation to improve water efficiency in existing homes. Reducing water use has many benefits, some of which are mentioned in the document. It is positive to see that, as part of the WHQS, landlords should seek to reduce water use to 110 litres/person/day through retrofits. Doing this would help existing homes be at the same (expected) water use as new homes in Wales.

We also agree that the use of water butts should be encouraged, as they can help to provide water for gardens.

We note that some of measures suggested in the consultation (i.e. tap aerators and water saving showerheads) will also contribute to reduce hot water use. This in turn, can help customers reduce their energy bills. According to the Energy Saving Trust: 3

- By replacing an inefficient showerhead by an efficient one, a family of four could save around £55 on their annual gas bills.
- Keeping shower times to 4 minutes could save a household £70 on their energy bill. Swapping one bath a week for a short, 4-minute shower could increase these savings.
- Fitting a tap aerator could save around £25 on the energy bill.

In addition to the energy savings, customers who have a water meter could also see savings in their water bill (see below for case study from CCW's Affordability Review).

Lastly, we would also like to see more innovation to increase or improve water saving at home. Research and/or pilots could be used to assess which measures are likely to deliver the most benefits at the best value.

## Environmental benefits of reducing water use

Improving water efficiency and reducing water use at home has many benefits for the environment including reducing carbon emissions. This is achieved is by:

- Water companies reducing the volume of water they abstract, treat, pump and deliver to homes. This helps to protect the environment from over abstraction; helps reduce the sector's carbon emissions and improves the resilience of water supplies today and in the future.
- Installing water saving measures at home (i.e. through retrofits) such as tap aerators and showerheads, which can save money and carbon, by reducing the use of hot water. Reducing (hot) water use contributes to a reduction in greenhouse gas emissions. Figures from BEIS4 and the Committee for Climate Change5 (CCC) suggest that about 17% of a household's energy use (and associated carbon emissions) derives from heating water. This is the second largest energy use, after space heating - see Figure 1.





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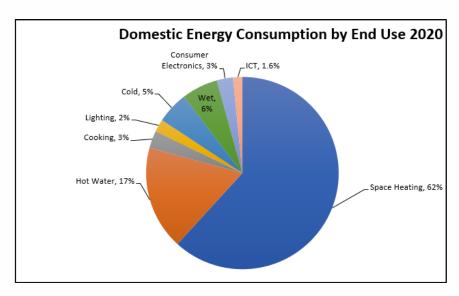


Figure 1 - Domestic energy consumption in the UK 2021 (BEIS)

The Committee for Climate Change 6 also recommends that 'local authorities -...should include water efficiency measures in energy efficiency retrofit programmes. Water efficiency should be included in social housing standards (such as the Decent Homes and Welsh Housing Quality Standard).

The total annual carbon emissions per household due to water use are around 1 tonne CO<sub>2</sub>e<sup>7</sup> per year, based on an (average) personal water use of 138 litres/person/day8. If there are around 230,000 social homes in Wales, installing water saving fitting into all social homes would be a contributor to saving carbon emissions.

### Support for a joined approach to deal with the climate emergency

We suggest that the Warm Homes Programme and the WHQS are linked to ensure the retrofits (water and energy) deliver the maximum possible benefits by introducing water efficiency retrofits.

We would like to repeat that another way that Wales could achieve this is to explore how to extend Minister Julie James's optimised retrofit scheme for social housing in Wales to water fittings. This presents an opportunity to explore repairs of internal leaks, and the installation of water and energy efficiency measures in partnership with social housing providers. Carbon reductions, water efficiency and affordability support could be achieved at the same time targeting those who need most help in Wales.

#### Recommendations and good practice from CCW's Independent Affordability Review

In May last year, we published a set of recommendations emerging from the independent review into Water Affordability. One of the recommendations is that water companies should ensure that water efficiency forms part of their affordability strategies by linking messaging and identifying options to provide targeted and enhanced interventions, to take advantage of emerging technologies. This recommendation in practice extends more widely to include water efficiency into housing standards, wider retrofit schemes and other household focussed initiatives. The new water efficiency standard will help facilitate this synergy and more good practice that brings the cost of living and climate change agendas together. Below we have provided some examples of how water companies have taken this agenda forward through our work on implementing the review's recommendation.

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## **Thames Water pilot**

As part of the Affordability Review, Thames Water conducted a pilot to understand how much water and money customers could save following a 'Smarter Home Visit'. The project established that these targeted visits can reduce water use by 75-90 litres/day and 10% of visits can identify and help to fix internal leaks.

Interventions like fitting water saving showerheads and taps can lead to long-term savings. These interventions link to energy use too, as they can help to reduce hot water use. According to Thames Water, 54% of water saved comes from heated water, and reducing hot water use could save a household £18-£77 a year, with the average being £36.

The total water bill savings from these visits (for metered customers) range between £40-£366 a year, with average savings of £99/year (including the benefits from the Smarter Home Visit and repairing internal leaks). The project estimated that the average water and energy savings (£135/year) are sustained for three years or more.

The findings also suggest that water saving interventions are more effective when targeting high-use households, using more than 500 litres of water per day. And, that savings are greatest in terraced houses and in deprived areas and are proportionate to household occupancy levels. More information is available on Thames Water's website.

We appreciate that these findings are based on Thames Water's customer base, but the example helps to illustrate what can be achieved by the targeted focus to improve water efficiency at home.

### Additional examples from water companies

## Affinity Water's partnership work with social housing providers

In recent years, Affinity Water made a commitment to support its customers to take action to save water. The aim of this project was to establish partnerships with social housing providers to develop and pilot retrofits of water saving fittings. These pilots will also help the company improve its understanding of its customers and develop a methodology for successful engagement with a variety of stakeholders, including social tenants, registered social housing providers and local authorities.

All activities were designed to install water saving products during planned maintenance work and responsive repairs. These activities were developed with input from the teams that would be doing the installations. Water efficiency was delivered by Affinity Water via home water efficiency checks and control flow installations or through activities led by the social housing provider. Engagement with tenants was done primarily by the local authorities, using methods such as partner social media channels, newsletters, email, sms/text and outbound calls.

Between September 2021 and July 2022 Affinity Water and its partners (Welwyn-Hatfield Borough Council, Watford Community Housing Trust, Luton Council & Harrow Council) has delivered 875 home water efficiency checks, 1526 flow regulator installations and supported partner led water efficiency upgrades in 84 properties, providing an estimated water saving of 8.89 million litres.

The project has also delivered benefits to participating councils. The project aligns with priorities such as reducing poverty and improving the environment.

As part of the support for vulnerable customers identified through this project, Affinity Water has also been promoting its <u>low income fixed tariff</u>. There is also additional work on data sharing agreements to enable partnerships with two further organisations to help those struggling to pay by helping residents find a suitable water tariff, and/or access payment plans and/or join the Priority Services Register (PSR).

This project has been audited independently and as a result, this project is now part of 'business as usual' for the water company. Affinity Water will continue to work with existing partners while looking for additional engagement opportunities.

This project's partnership approach has provided useful insights, opportunities to retrofit water saving devices, and helped vulnerable customers. Although these partnerships can take some time to implement, the benefits can be long-term as often evidenced practice becomes business as usual more easily.

## Hafren Dyfrdwy's data sharing partnership with Wrexham Borough Council

Following discussions on around the Independent review recommendations implementation, Hafren Dyfrdwy is also forming a data sharing partnership with Wrexham Borough Council and housing associations. Social tenant data will allow targeted communications which could assist social tenants with water efficiency and affordability schemes. If social housing standards incorporating a water efficiency measure it could facilitate future collaborations such as this. It gives the company the potential to explore retrofits and further action in the future.

# Wales Water Efficiency Roundtable proposal to the review the effectiveness of Building regulations in Wales

We are pleased to be working collaboratively with all members of the Wales Water Efficiency Roundtable. The group put forward a proposal to review the effectiveness of Building Regulations (in Wales) and the barriers to achieving the 110 litres/person/day target for new homes. We think this project has the potential to transfer learnings to the implementation of social housing quality standards. More specifically, it has the potential to understand whether people change fittings after they move into new homes and if doing so has an impact on achieving the 110 litres/person/day target.

## **Enquiries**

Enquiries about this consultation should be addressed to:

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Date: July 2022



#### Annex - List of references

- <sup>3</sup> Energy Saving Trust (2022) Top tips to save energy and money in the bathroom Energy Saving Trust
- <sup>4</sup> BEIS (2021) Energy consumption in the UK 2021 GOV.UK (www.gov.uk)
- <sup>5</sup> Committee on Climate Change (2019) UK housing, fit for the future? Available at: UK housing: Fit for the future? - Climate Change Committee (theccc.org.uk)
- <sup>6</sup> Committee on Climate Change (2019) UK housing, fit for the future? Available at: UK housing: Fit for the future? - Climate Change Committee (theccc.org.uk)
- <sup>7</sup> Artesia (2019) Pathways to reducing per capita consumption. Pathways to long-term PCC reduction (water.org.uk) Note that many of the calculations of greenhouse gas emissions from water use are based on core government data and conversion factors from circa 2008 which do not include decarbonisation.



<sup>&</sup>lt;sup>1</sup> CCW's response to Senedd's Climate Change, Environment and Infrastructure Committee Working Priorities consultation . September 2021. Available at: PR 115 Consumer Council for Water.pdf (senedd.wales)

<sup>&</sup>lt;sup>2</sup> Chaired by Waterwise. Members include CCW, Welsh Water, Hafren Dyfrdwy and Natural Resources Wales.